



2013 State-Tribal Leaders Summit Issue Paper

Tribal Economic Development and Infrastructure

The following Tribal Economic Development and Infrastructure issue paper contains three sections – (1) Issues Identified by Tribal Leadership; (2) Potential Solutions Identified by Tribal Leadership; and (3) State Achievements. The N.M. Indian Affairs Department, in collaboration with the State-Tribal Leaders Summit Planning Committee, issued surveys to Tribal leadership in order to identify which issues and potential solutions should be discussed at the 2013 State-Tribal Leaders Summit. The “Issues Identified” and “Potential Solutions” discussed below do not necessarily reflect the views of the State of New Mexico and are merely provided to summarize the survey responses received. The “State Achievements” section has been developed with input from various State agencies.

Issue Statement: Improved economic conditions could address many problem areas that the New Mexico Tribes, Nations, and Pueblos (collectively referred to as “Tribes”) face today. It is of mutual concern and benefit that the State and Tribes continue to foster a relationship that will alleviate the barriers to economic development on tribal lands through collaborative efforts and program services. State programs and State assistance are requested to build tribal capacity. For instance, technical assistance and capacity building in the area of loan financing and creative financing could help the Tribes achieve success in areas such as public-private partnering, bond financing, and tax leveraging. Tribal leaders express the need for State-Tribal partnership opportunities to create economic policy and work toward business recruitment. Given the remote locations and high unemployment rates of many Tribal communities, job creation is of vital importance. Tribal economic development and infrastructure development have direct and far-reaching impacts on the entire State. Tribal economic development is directly linked to infrastructure development such that economic development projects may be delayed or abandoned due to the lack of infrastructure to support the project. Economic opportunities are difficult to attract to Indian lands where infrastructure is inadequate. Lack of funding resources has proven to be a major impediment to the Tribes in developing sustainable economies and vital infrastructure. Pursuant to the Laws of 2010, HB 162, “Severance Bonds for Tribal Infrastructure,” the Tribal Infrastructure Fund (TIF) receives recurring funding in the amount equal to 5% of the Severance Tax Bonding Capacity each year. While the TIF has been extremely helpful in addressing Tribal critical needs, tribal leaders feel the funding does not go far enough and the need continues to grow each year. Additional State funding is needed and requested. Tribal leaders express that Tribal governments, Tribal enterprises, and Tribal citizens contribute a great deal to the State’s economy and would like to see the State track the dollars it spends and account for how these funds benefit all New Mexicans.

Potential Solutions Identified by Tribal Leadership:

- Consider conducting a state-wide needs assessments for infrastructure and initiating a strategic plan to develop infrastructure before critical need develops;
- Assist the Tribes in maneuvering through funding processes and loan financing;
- Promote State-Tribal relationships that focus on economic partnership and creation of joint economic development policy;
- Meet with the Tribes individually and consider periodic presentations on agency developments, possibly coordinated through the Indian Affairs Department (IAD);

- Explore the potential benefits of developing an accounting of all tribally-generated contributions to the State coffers and consider a tracking mechanism that shows how these funds benefit the entire State;
- Consider increasing appropriations for the Tribal Infrastructure Fund and Capital Outlay;
- Continue trainings, webinars, and meetings with the Tribes to provide information on creative financing, long-term and socioeconomic benefits of investment, and building tribal capacity;
- Assist the Tribes by supporting tribal training and outreach to investors, potential partners and the public on tribal sovereignty and the unique status of tribal lands;
- Consider increasing the number of priority projects on the Tribes' ICIP; and
- Explore the provision of additional planning grants to Tribes for the development of infrastructure inventories and economic development feasibility studies.

State Achievements:

IAD continues to administer the Tribal Infrastructure Fund program and manage dozens of tribal capital outlay projects. This year, the Tribal Infrastructure Fund Board awarded \$16.3 million and funded 19 tribal projects serving 8 Pueblos and 7 Navajo Nation Chapters – 8 planning projects and 11 design and construction projects, including water and wastewater projects, roads projects and comprehensive planning. The TIF allocation of \$16.3 million is matched with \$17,742,932 and leveraged with \$17,917,045, for a total return on investment of \$35,659,97. In 2012, the Board allocated \$13.2 million to 28 projects that are currently open. With regard to capital outlay, IAD manages \$1.3 million and 13 projects through the 2012 legislative appropriations, and \$5.7 million and 41 projects through the 2013 legislative appropriations. Several other state agencies also receive capital outlay appropriations for tribal projects. IAD, in collaboration with the New Mexico Environment Department (NMED), and the Department of Finance and Administration (DFA), continuously provides regional outreach, funders forums, and training sessions to facilitate the TIF process, including outreach on the State's Infrastructure Capital Improvement Plan (ICIP) program which has become very significant in obtaining State funding. IAD is currently planning the 2013 New Mexico Tribal Infrastructure Conference directed at educating, training, and developing tribal capacity and identifying available funding sources.

The State agencies that focus on infrastructure and economic development have several programs and services that could benefit the Tribes. The N.M. Tourism Department's Indian Tourism Program (ITP) seeks and encourages collaborative opportunities with all tribal communities and Indian organizations. The department provides assistance and support to the Tribes and Indian organizations in the areas of tourism promotion, marketing, advertising, outreach, and product development. The ITP works in close contact with the Indian Affairs Department (IAD) and has met with a majority of the tribes individually. Tribal communities can be active participants in the N.M. True program. The Legislatively created Tourism Commission currently has two Native American commissioners. Among the other tribally-related activities conducted by the ITP in the past year are: developed and revamped the "Native New Mexico Guide" as an information source on Indian tourism; conducted tribal outreach for the Cooperative Marketing Grant program; successfully worked with tour operators, travel writers and journalists to promote N.M. Indian tourism; conducted outreach and implemented the N.M. Clean and Beautiful program with tribal participants; participated as a sponsor in the Gathering of Nations event; participated in the N.M. Native American Economic Summit; attended the world's largest tourism conference, Planet "IndigenUs," in Toronto, Canada with IAD to promote tribal tourism; participated as a sponsor in the Go Native Summit, which provides international marketing and business education; supported Expo New Mexico in holding the first International Indian Finals Rodeo and the first N.M. tribal informational booth at the State Fair Grounds' Indian Village during the state fair; and coordinated tribal dance demonstrations during the N.M. Balloon Fiesta.

The N.M. Taxation and Revenue Department has entered into cooperative agreements with a number of Tribes concerning the state's gross receipts tax and additional agreements are under development.

The N.M. Department of Transportation (NMDOT) has entered into Joint Powers of Agreements (JPA) with a number of Tribes concerning capital outlay transportation projects related to improvements and rehabilitation of tribal roads. The NMDOT-Safety Bureau has funded and conducted road safety audits to assist the Tribes in identifying, documenting and addressing the safety needs within their tribal road systems. Finally, the N.M. State Transportation Commission continues its collaborative efforts and will often hold monthly meetings at tribal venues.

The N.M. Economic Development Department (EDD) works in close collaboration with IAD on tribal economic development projects and initiatives. EDD maintains five tribal liaisons that are regionally located. The Certified Community Initiative Program (CCI) works with Tribes and other communities to certify communities that meet a set of criteria aimed at facilitating the recruitment, retention and expansion, or creation of economic-base jobs. Currently, the Pueblo of Pojoaque is participating in the CCI program and outreach is being conducted to other Tribes. The MainStreet Program focuses on the state's downtown communities to create an economically feasible business environment through the preservation of historical and cultural locations. This past year, the Pueblo of Zuni became the *first* Native American MainStreet Community in the country. Also this year, EDD created a scholarship for a Native American student to attend the Economic Development Course held at Western N.M. University. The N.M. Film Office creates and develops new and existing relationships with local and Tribal communities to disseminate information, prepare communities for production requests, and to support local filmmakers. N.M. Tribal community profiles are featured on the website. The Statewide Film Liaison Network designates an individual to assist and prepare their region for a variety of industry activities and currently has five tribal communities participating. Among the other programs that EDD administers that Tribes could benefit from are: the Local Economic Development Act program; Collateral Support Loan Participation program; HUD Section 108 Loan Guarantee element of the Community Development Block Grant (CDBG) program; Job Training Incentive program (JTIP); STEP-UP Job Training program; Tax Credit and Tax Incentive programs; Business Incubator program; Arts and Cultural District program; ISO-9000 Certification program; Office of International Trade; and the Office of Business Advocacy.

IAD's Economic Development Division makes a concentrated effort to work with the Tribes and pertinent State agencies to ensure that tribal economic development concerns are being heard and addressed and to assist the Tribes with their economic development initiatives. IAD collaborates with the Tribes in a number of areas, including improving access to capital for sustainable economic development projects, building capacity, housing projects, promoting Native enterprises and developing critical infrastructure. IAD is currently developing a Community Development Financial Institutions Fund (CDFI) partnership that provides financial products and support, including business development and economic development and development services, such as homeownership education, financial education, and business planning services. In the past year, IAD has partnered with the American Indian Chamber of Commerce of N.M. to assist the Chamber in administering its Minority Business Development Agency (MBDA) grant to operate an MBDA Business Center housed at the IAD offices. IAD also co-sponsored the Chamber's 7th Annual N.M. Native American Economic Development Summit. IAD's Technical Assistance Help Center initiative provides the Tribes access to a grant writer that provides technical assistance and program support in identifying, prioritizing, and developing submissions to external funding sources. To date, this program has resulted in applications for over \$14 million dollars and has received a total of \$5.7 million, to include funding toward the Eight Northern Tribal Youth Behavioral Health facility to be located in Taos Pueblo. The construction of this project will bring 25 residential treatment beds, 50 short-term construction jobs and 50 professional full-time jobs thereafter. Finally, IAD participates in the New Mexico Tribal Planners Roundtable work group, which is currently developing a strategic plan to assist Tribal communities in maneuvering in and through the planning process.